



**Canadian Industries Limited
Annual Report 1970**

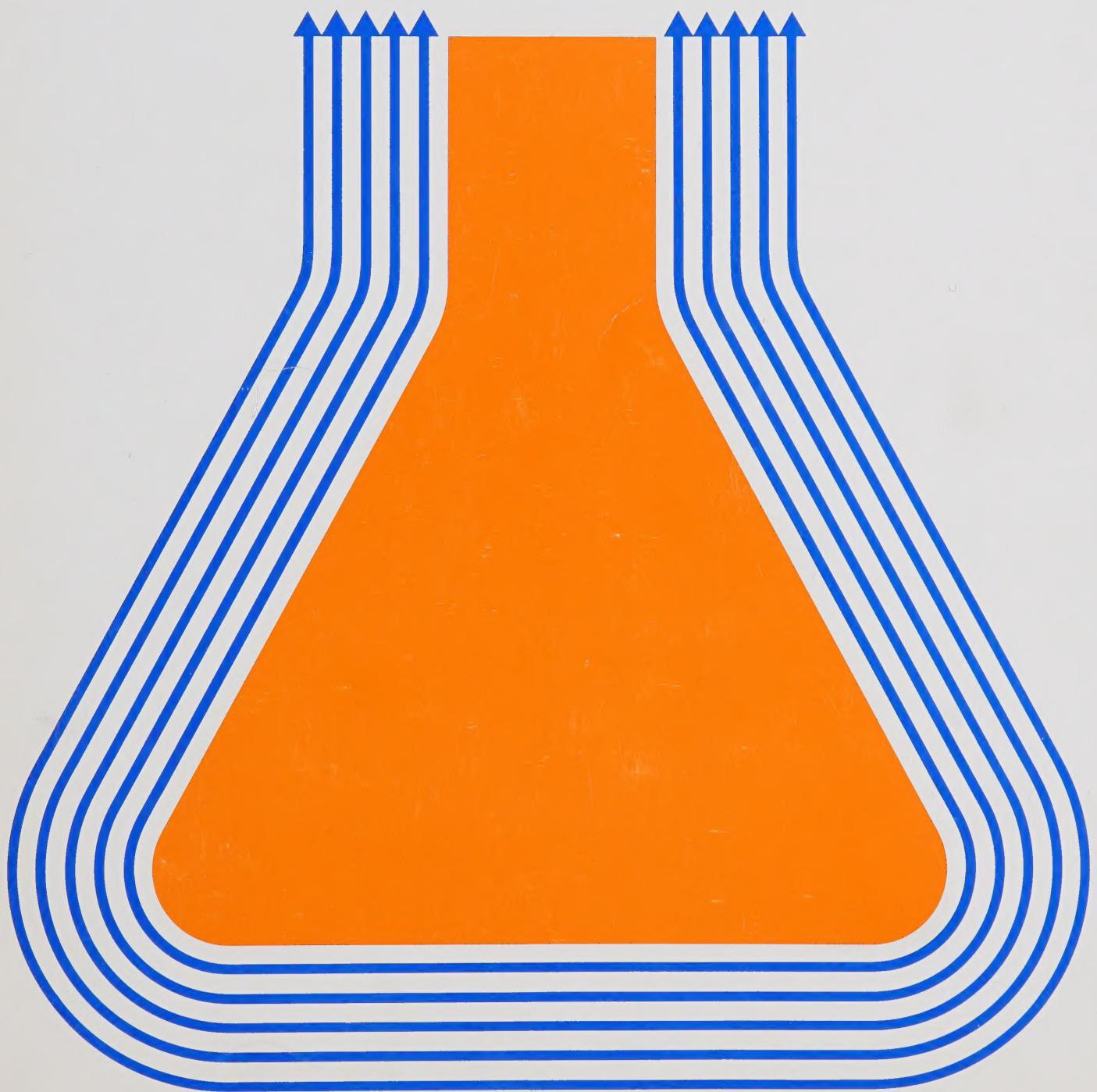


Table of Contents

Consolidated Financial Highlights

- 1 Board of Directors, Officers
- 2 Report to the Shareholders
- 4 Financial
- 5 Consolidated Sales by Business Area
Disposition of Income
- 6 Operations
- 7 Sales by Industry
- 8 Employees
- 8 Safety
- 9 Research
- 10 The Challenge of Pollution
- 10 Directors
- 11 Selected Selling Price Indices
- 12 Consolidated Statement of Income and Retained Earnings
- 13 Consolidated Statement of Source and Application of Funds
- 14 Consolidated Balance Sheet
- 16 Notes
- 18 Auditor's Report
- 19 Consolidated Financial Review

	1970	1969
Sales	\$323,300,000	\$324,199,000
Income Before Taxes	\$ 16,325,000	\$ 19,885,000
Net Income Before Extraordinary Items	\$ 8,135,000	\$ 10,496,000
Extraordinary Items – Net Gain	—	\$ 3,082,000
Working Capital at December 31	\$ 68,068,000	\$ 65,836,000
Capital Expenditures (Including Expenditures for acquiring new subsidiary companies)	\$ 27,288,000	\$ 15,018,000
Common Shares Outstanding at December 31	9,794,161	9,794,161
Earnings a Common Share Before Extraordinary Items	\$ 0.81	\$ 1.05
Dividends A Common Share	\$ 0.60	\$ 0.60
Number of Shareholders at December 31		
Common	7,883	7,690
Preferred	617	634

Board of Directors

Officers

Canadian Industries Limited

CIL House
630 Dorchester Boulevard West
Montreal, Quebec

Alistair M. Campbell
Chairman, Sun Life Assurance Company of Canada, Montreal

W. G. C. Cashford
Imperial Chemical Industries Limited, London, England

W. B. M. Duncan
President, ICI North America Limited, New York

A. G. S. Griffin
President, Triarch Construction Limited, Toronto

E. L. Hamilton
President, Canadian Industries Limited, Montreal

Leonard Hynes
Chairman, Canadian Industries Limited, Montreal

Hon. T. D'Arcy Leonard, C.B.E., Q.C.
Company Director, Toronto

Jean-Claude Lessard, S.M.
President, Standards Council of Canada, Montreal

J. A. MacAulay, C.C., Q. C.
Partner, Aikins MacAulay & Thorvaldson Winnipeg

W. J. Mandry
Executive Vice-President, Canadian Industries Limited, Montreal

P. T. Menzies
Deputy-Chairman, Imperial Chemical Industries Limited, London, England

Hon. H. deM. Molson, O.B.E.
Chairman, Molson Industries Limited, Montreal

J. D. Rose
Director, Imperial Chemical Industries Limited, London, England

Hon. James Sinclair, P.C.
Deputy-Chairman, Canada Cement Lafarge Limited, Vancouver

G. F. Whitby, O.B.E.
Director, Imperial Chemical Industries Limited, London, England

Chairman of the Board
Leonard Hynes

President
E. L. Hamilton

Executive Vice-President
W. J. Mandry

Vice-Presidents
R. D. Bevan
P. A. G. Cameron
H. G. Campbell
D. M. Coyle
S. S. Grimley
C. H. Hantho
D. S. Kirkbride

Secretary
B. I. McGreevy

Treasurer
L. A. Wheable

Assistant Secretary
L. M. Faibish

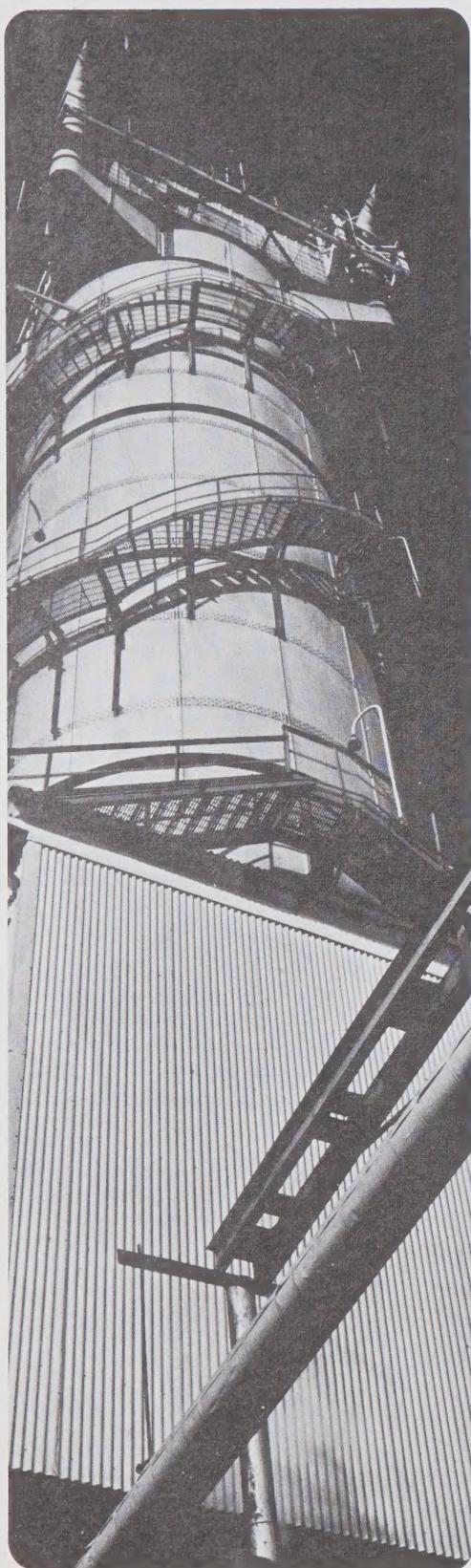
Registrar, Transfer Agent and Dividend Disbursing Agent
National Trust Company, Limited, Montreal, Toronto, Calgary, Vancouver

Stock Exchange Listings
Montreal, Toronto, Vancouver

Registrar and Transfer Agent for debentures of Canadian Industries Limited and bonds of Millhaven Fibres Limited
The Royal Trust Company, Montreal, Toronto, Winnipeg, Vancouver

Auditors
Touche Ross & Co.

Design : Gottschalk + Ash Ltd.
Printer: RBT Printing Ltd.
Printed in Canada
Legal deposit – second quarter 1971
Quebec National Library

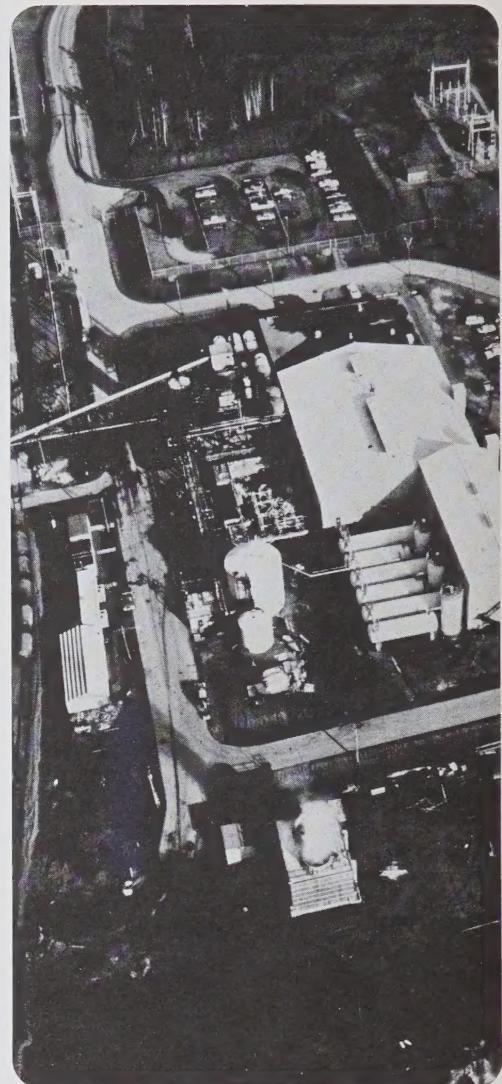


CIL serves a broad cross-section of the Canadian economy, which in 1970 was characterized by low growth, cost inflation and rising unemployment. This unfavourable business climate had a significant effect on the Company's results. Although sales were only marginally lower than in 1969, the prices which could be obtained for our products failed to keep pace with the rising costs of labour, raw materials, power and other services. This profit squeeze was felt in all major areas of the Company's business. As a result, net income for 1970 was 23 per cent lower than for the previous year.

Vigorous and continuing efforts are being made to contain costs and to improve productivity by developing and implementing more efficient manufacturing and marketing processes. Nevertheless, some advance in selling prices is essential if all the higher costs of doing business are to be recovered and a reasonable profit earned.

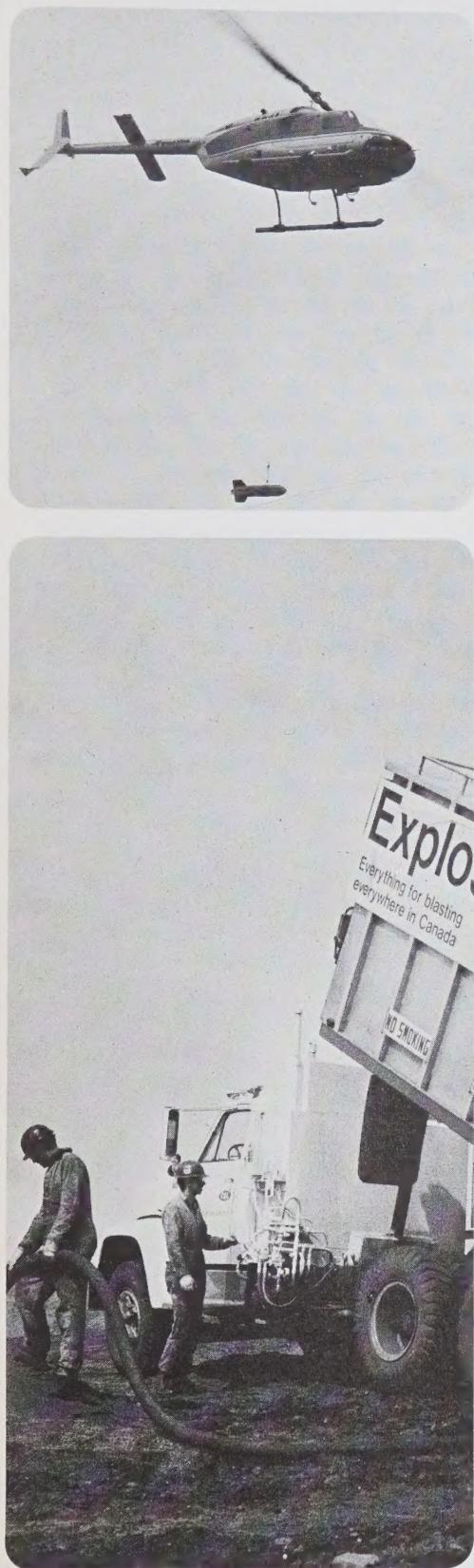
As outlined in the 1969 Annual Report, we are striving also to provide a working environment within which employees at all levels can find the challenges and personal satisfaction to develop their full potential and thus enable them to contribute fully to the achievement of efficient and effective operations in all aspects of the Company's business.

Technological advances have made large scale processes feasible for a number of chemical products with consequent reductions in unit costs and increases in the economic size of plants. Unfortunately, the Canadian market for many important chemicals is small in relation to the output of optimum scale plants and, because of relatively low tariffs, is vulnerable to imports from producers with very large plants in other countries. These countries have an adequate domestic market to support these large plants and their trade policies often render them inaccessible to equivalent products manufactured in Canada.



The Company has for some time recognized the need to reduce its dependence on the commodity chemical business which faces difficulties in Canada. The resulting diversification program gained a great deal of momentum in 1970. CIL acquired a major holding in Jarvis Clark Company Limited of North Bay, a leading supplier and manufacturer of mechanical equipment to the mining industry. This expands CIL's extensive and highly specialized technical service to the Canadian mining industry.

The acquisition of McPhar Geophysics Limited late in the year is another example of diversification linked to service which CIL can offer to the major re-



source industries, both within and outside Canada. McPhar Geophysics is one of the world's foremost companies supplying geophysical exploration services and geophysical instruments to the mining industry. It operates on a worldwide basis through subsidiary companies in the United States and Australia, and from offices in many other countries.

CIL acquired control of West African Explosives and Chemicals Limited and will be participating more fully in meeting the needs of the mining industry in West Africa. While retaining a majority of the shares, CIL has offered an option to the Liberian public to purchase additional shares.

CIL's experience and technical know-how concerned with chemical processing, pulp bleaching and pollution abatement were recognized as marketable assets some years ago and led to the formation of Chemetics Limited in 1967 as a joint venture with Chemech Engineering Limited. In 1970 CIL acquired Chemech, and as a consequence, full ownership of Chemetics Limited. These two companies, which operate internationally, are engaged in the design, engineering and operation of plants for the on-site production of pulp bleaching chemicals and in the marketing of specialized chemical process equipment. In addition the companies are engaged in the development, design and construction of industrial pollution abatement facilities.

With the rapid growth of open pit mining in recent years, the Company has developed efficient low cost explosives and systems for delivering explosives directly into the borehole. By the end of 1970, CIL had plants operating on-site at fifteen mining locations; four of these were added during the year, and a further four are committed for 1971. Similarly the Company has developed low cost processes and plants for the manufacture, close to mining sites, of xanthate chemicals used for ore concentration. Two such plants are currently under construction.

The CIL "Agromart" program, significantly enlarged during the year, is designed to market CIL products and strengthen our growing ties with the agricultural community of Eastern Canada. The "Agromart" is a distribution centre for fertilizers, farm technology and other farm needs. By the end of 1970 some 48 of these centres were in operation or under construction, ten of which had been added during the year. Current plans foresee a number of units to be added over the next few years. Where possible these units are organized on a joint venture basis between CIL and local businessmen.

During the year ICI North America Limited was formed to coordinate the development of CIL and ICI America; it holds ICI's interests in the two companies.

Some recovery in North American economic activity is expected in 1971. The position of the Company should improve as the steps taken to broaden the nature of the Company's operations are expected to have a favourable effect on earnings and provide a better base for profitable growth in the future.

On behalf of the Board of Directors

Leonard Hynes
Chairman

E. L. Hamilton
President

Montreal, Quebec, March 25, 1971

Financial

Sales of the consolidated operations of the Company were \$323,300,000 for 1970, as compared to \$324,199,000 in 1969, a decrease of \$899,000.

Net income was \$8,135,000 equivalent to 81 cents a common share, 23 per cent below the comparable figure of \$10,496,000 or \$1.05 a common share for 1969.

The reduced level of earnings in 1970 reflected the economic slowdown in a number of industries served by the Company, the continued increase in costs and restraints on selling prices.

With the exception of the McPhar group of companies, the earnings of subsidiary companies acquired in 1970 have been included in the consolidated accounts from the effective date of purchase. These earnings have helped to offset the effect of the decline experienced by some of the traditional products of the Company.

Major decreases occurred in sales of defence products, synthetic fibres and automotive and industrial paints, while reduced selling prices more than offset higher volume of sulphur products. Moderate gains were recorded in sales of commercial explosives, chloralkali products, plastic film, fertilizers and decorative paints.

It is the policy of the Company to write off the cost of each plant or facility on a straight line method based upon the expected economic life of the asset. Reviews are made each year of all productive facilities and consideration is given to technological and commercial obsolescence as well as physical condition. Depreciation for the year amounted to \$19,775,000 compared with \$21,293,000 in 1969. The lower depreciation charge resulted from several of the older plants having been fully depreciated by the end of 1969.

Capital expenditures for land, buildings and equipment during 1970 amounted to \$14,798,000 compared to \$15,018,000 in 1969. In addition expenditures of

\$12,490,000 were made for the acquisitions of the controlling interest in the following companies: Chemech group of companies, Jarvis Clark Company Limited, West African Explosives and Chemicals Limited, and the McPhar Geophysics group of companies.

In addition to expenditures to maintain existing facilities other major expenditures were made for the completion of the Vaughan Centre decorative paint plant, extension of the "Agromart" program, and additional on-site blending plants for explosives. The unexpended balance on authorized capital projects at December 31 was \$11,002,000.

Investment in associated companies increased by \$1,134,000 during the year representing mainly investment in joint venture "Agromarts" and on-site chemical plants undertaken as joint ventures.

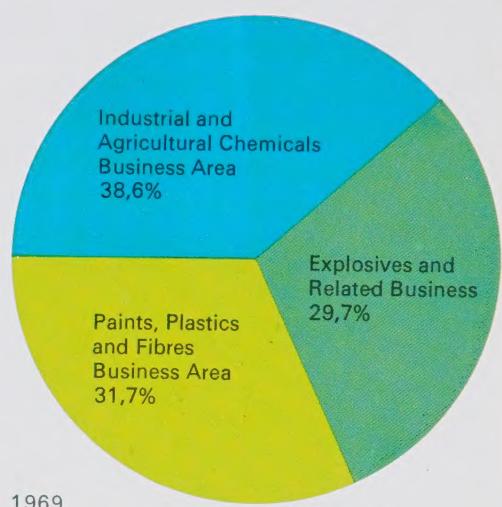
Dividends on the 7½ per cent preferred shares were paid quarterly and dividends totalling 60 cents a common share were declared in respect of the year 1970, unchanged from the previous year.

A total of \$2,297,000 of the 3¾ per cent debentures due in 1974 was purchased during the year. These purchases meet the sinking fund requirements to the end of 1972.

Consolidated Sales
by Business Area



1970



1969

Disposition of Income

	1970 %	1969 %
Raw Materials and Purchased Services	52.6	52.5
Wages, Salaries and Welfare Benefits	26.9	25.7
Depreciation	6.1	6.6
Interest, Rent and other Expenses	9.9	9.6
Taxes	2.0	2.3
Dividends	1.9	1.9
Retained in Business	0.6	1.4
	100.0	100.0

Operations

Explosives Business Area

Sales of commercial explosives were slightly higher than in 1969 owing to the sustained activity in the mining industry. The trend in Canada towards surface rather than underground mining has led to a sharply rising demand for low cost locally produced bulk supplies. As a result, CIL has continued a vigorous program of installing small local explosives mixing plants to service individual open-pit mining operations. The high explosives production facilities of the small Brainerd Works in Manitoba were closed during the year because of this trend.

The market for sporting products was generally lower in 1970 than the previous year and sales of CIL sporting ammunition, and golfing equipment manufactured by Campbell Manufacturing Company Limited, reflected this weakness. A modernization program at the ammunition and detonator plant, that has been underway for some years, is now resulting in improved operating efficiencies.

Sales of defence products under the Canada-USA Defence Sharing Agreement were sharply lower than in 1969. Efforts are being made to find markets for commercial products for which a manufacturing capability now exists.

Polymers Business Area

Sales in all plastic product areas were higher than in 1969 with the largest increases in manufactured polyethylene film products, resale polypropylene and polyester films. With CIL's Edmonton plant operating at capacity, the Company continues to study a number of expansion alternatives for polyethylene resin but the environment for the Canadian plastics raw material industry does not encourage large new investment at this time.

The films and packaging business operated at high output levels and substantial capacity and productivity improvements were made during the last half of the year.

Despite an increase in retail paint sales, total paint sales were down because of the low level of activity in the industrial and automotive markets and the lengthy strike at General Motors of Canada Limited.

The new Vaughan Centre paint manufacturing and distribution unit, brought into production late in the year, is expected to provide strong support to the marketing of decorative paint products. The Toronto paint works, which had been producing finishes since 1916, ceased operations when the Vaughan Centre commenced production.

Sales of Bapco Paint Ltd. and Brandram-Henderson (West Indies) Limited in 1970 were on a level with those in 1969.

Millhaven Fibres Limited sales were below those achieved last year. The major factors affecting sales were low prices, reduced demand for nylon and the effect on tire yarn sales of the generally poor automotive year and the General Motors' strike. Exports and domestic sales of polyester filament yarn increased. Millhaven's nylon production for textile fabric markets is to be phased out over a period of time and the facilities converted to the manufacture of polyester filament yarn; competition from imports and reduced prices have seriously affected the viability of the Company's nylon business.

Chemicals Business Area

The downward trend in fertilizer prices experienced in 1968 and 1969 appears to have eased with some slight improvement observed in 1970. Sales of fertilizers were moderately higher than in 1969.

The output of the ammonia plant is believed to be a record high for any plant of its size in North America. Improved efficiencies significantly reduced costs in fertilizer operations.

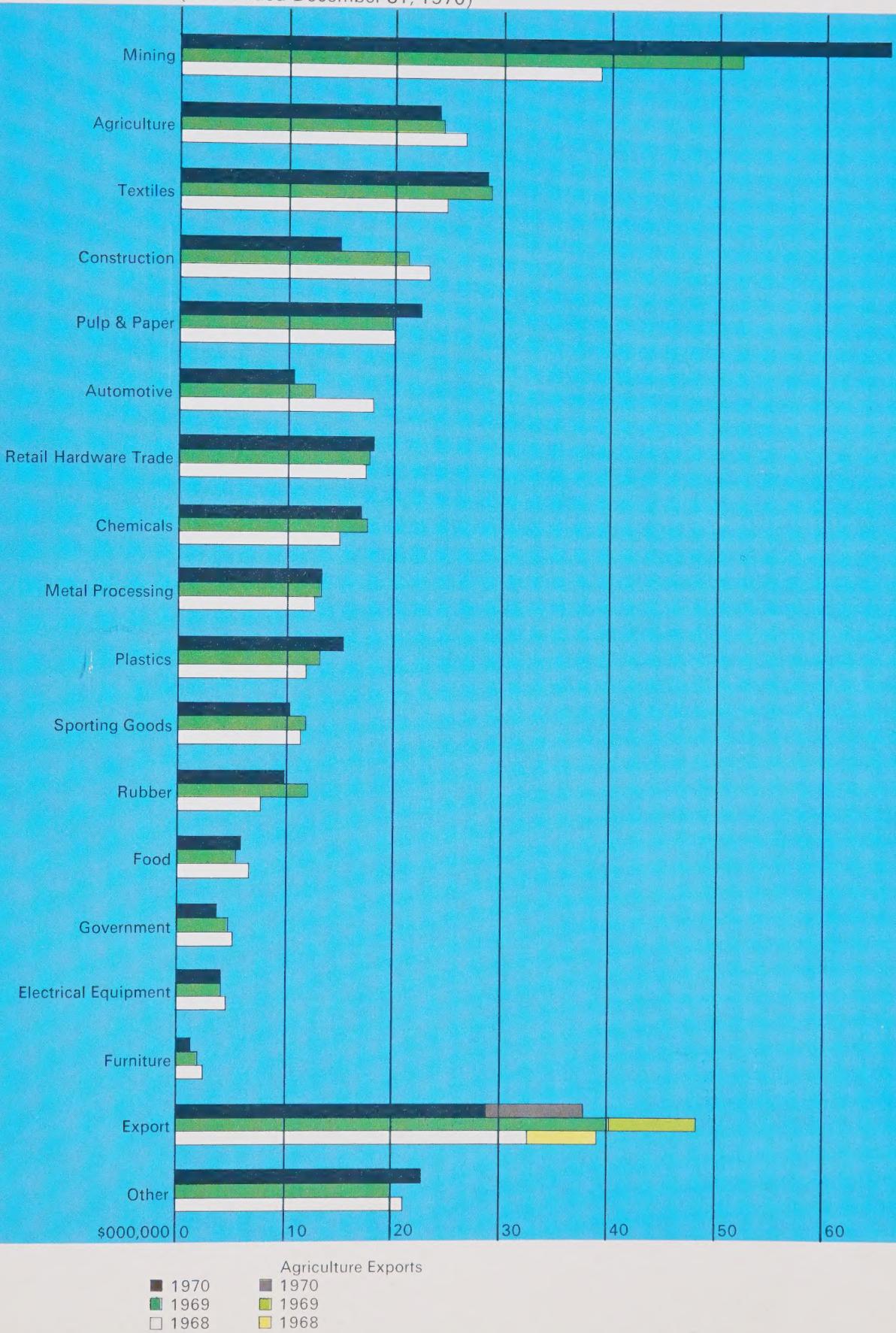
Shipments of industrial chemicals increased over 1969 as a significant growth in demand took place for chloralkali

products, principally from the pulp and paper industry. Demand for sulphuric acid increased but revenues were reduced because of the impact of reduced sulphur prices on large volume business.

Plans for the replacement or phasing out of operations at the Hamilton site, which was sold in 1969, are well advanced. Erection of new plants at other locations will be completed before the site must be vacated. A major endeavour during the year was the engineering and market development work for the world's largest sulphuric acid plant using smelter fumes proposed to be built for International Nickel Co. of Canada Ltd. at Copper Cliff.

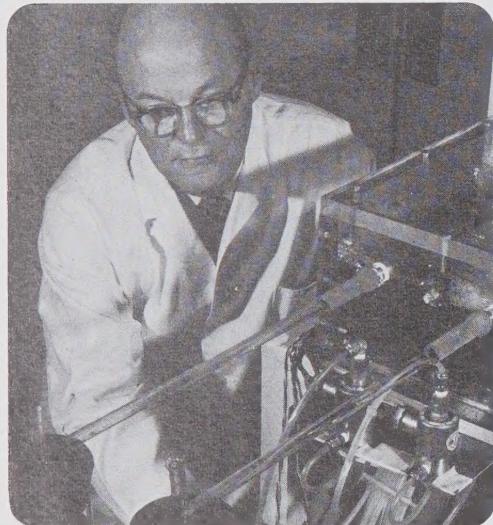
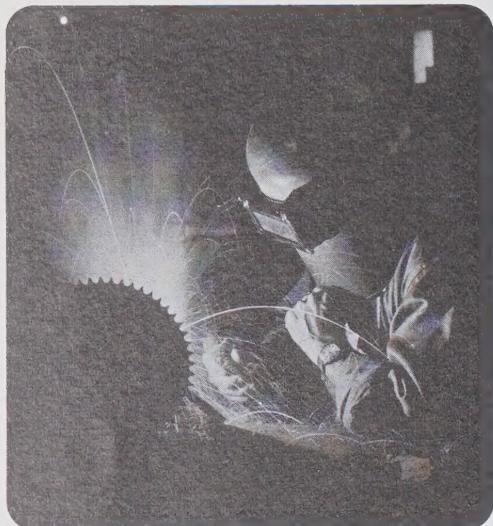
The Company constructed Canada's first on-site liquid xanthates plants at Copper Cliff, Ontario, and at Thompson, Manitoba. Xanthates are chemical reagents used by basic mineral producers to concentrate ores by flotation techniques.

Sales by Industry
(Year ended December 31, 1970)



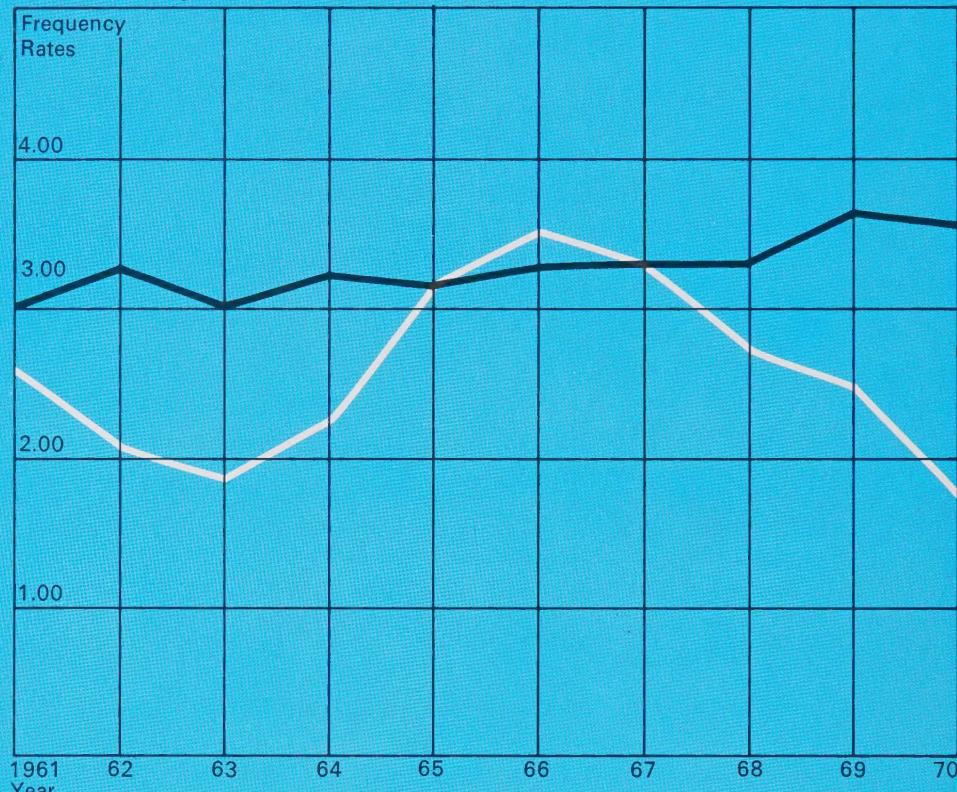
Agriculture Exports

■ 1970 ■ 1970
■ 1969 ■ 1969
□ 1968 ■ 1968



Making opportunities available to employees throughout the organization to use the full extent of their abilities has continued to be a major aim of the Company during the year. Corporate growth is dependent on individual growth and the efforts to create a climate in which creative talents and managerial skills can develop will continue. The number of employees of CIL and subsidiary companies at year-end was 9,790, a five per cent reduction from 1969. Nine collective agreements covering approximately fifty per cent of payroll employees were renegotiated during 1970 and by the year-end contracts had been completed at all locations. Strikes occurred at two Quebec locations.

Disabling Injury Frequency Rates*
CIL Experience Compared
with Chemical Industry
(Manufacturing Chemists Association)



*Number of Injuries per Million Manhours

It is recognized that accidents entail very high costs both for employees in terms of disability and hardship and for the Company in terms of production inefficiencies and other losses. Accident prevention is given a high priority in CIL. All managers are held accountable for the safety of employees within their areas of responsibility.

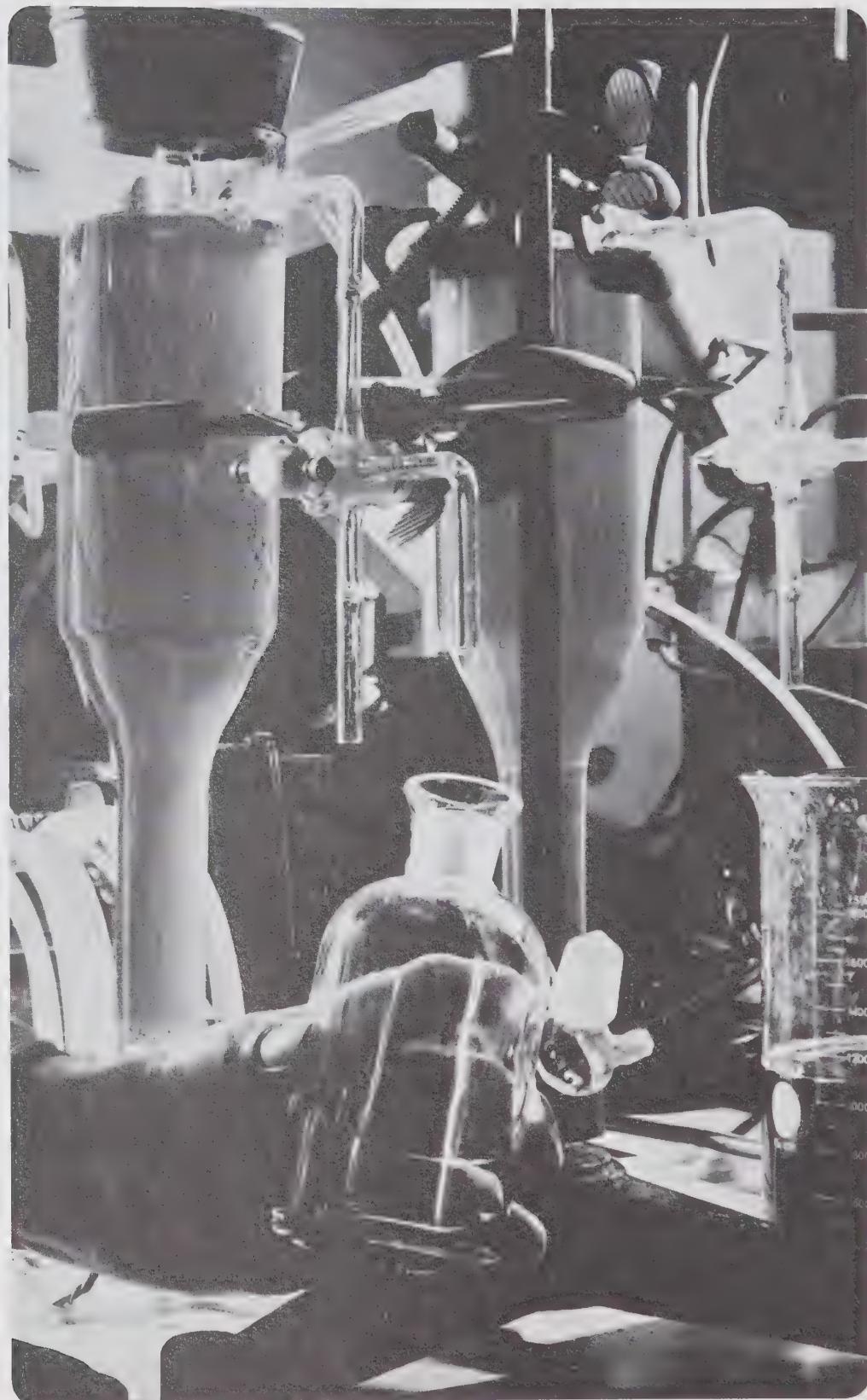
The Company achieved a marked improvement in its safety performance during the year. Disabling injuries were fewer than in 1969, and the injury frequency rate was the lowest recorded in the last ten years. The graph above shows that CIL's injury frequency rate has continued to decline since 1966 and

has been consistently lower than the rate reported by the National Safety Council for the North American chemical industry.

The research effort of the Company is being reshaped to support the thrust in new business directions. Major emphasis is being given to the development of new products and services for the resource industries. An example is a new process which utilizes oxygen in the bleaching of wood pulps. The process is being further developed in co-operation with both a Swedish pulp and paper company and an engineering firm. Marketing of the technology is planned in 1971. Another development is a low cost process for the manufacture of xanthate chemicals for ore concentration which facilitates production near the mine or concentrator site.

A number of important product and process innovations which support the present business were made during the year.

The research and development activities of the Company's own organization are supplemented by agreements with Imperial Chemical Industries Limited. These ensure that technical and commercial support will be available in bringing new products and technology to Canada and provide the Company with access to the technical knowledge of one of the world's foremost research organizations.



The Challenge of Pollution

A corporation, like a private citizen, has a duty to act responsibly to society and to contribute to its betterment. A prime example is in meeting the challenge of pollution. Increased industrialization, and the growing concentration of people in urban areas, together with the difficulty of disposing of wastes of all kinds, have made the pollution of water, air and land an acute problem.

CIL shares the concern of government and private citizens in the problem of pollution and is making every effort to detect and correct all pollution hazards in its existing plants. Through specialists on its staff, the Company actively assists governments at all levels in dealing with environmental problems.

Knowledge and experience gained by CIL over the years is being brought to bear on problems of pollution abatement. A subsidiary, Chemetics Limited, has also been able to help other businesses through designing, installing and in some cases, operating processes, which treat effluents. There is much to be done in this new business area and CIL's activities in the pollution abatement field should increase substantially.

Directors

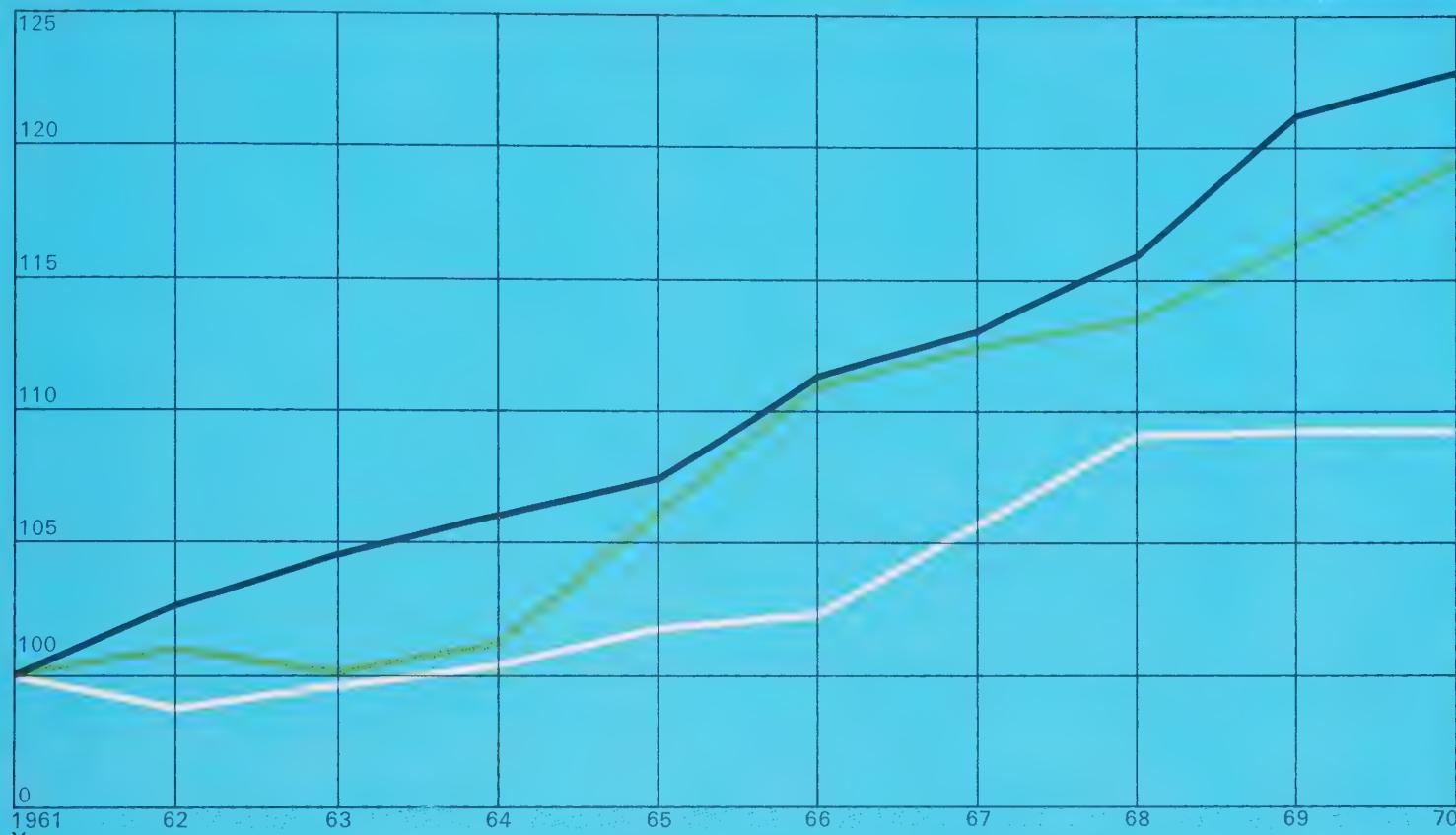
In December, Mr. G. S. Roberts resigned as a Director and an Executive Vice-President to take up a senior position with Imperial Chemical Industries Limited. Mr. Roberts had served on the Board since January 1966. At the same meeting, Mr. W. J. Mandry was appointed a Director and an Executive Vice-President to succeed Mr. Roberts.

On January 1, 1971, Mr. Leonard Hynes became Chairman of the Board and Mr. E. L. Hamilton succeeded him as President and Chief Executive Officer of the Company. First elected to the Board in 1954, Mr. Hynes had been President since 1962. Mr. Hamilton, a Director since 1955, was appointed a Vice-President in 1956 and an Executive Vice-President in 1968.

The Directors would like to acknowledge their appreciation for the loyal support and the enthusiasm with which all employees have responded to the many challenges of the last year.



Selected Selling Price Indices¹



¹ The series are arithmetically converted for 1961 = 100.

² Source : D.B.S., "Canadian Statistical Review", *General Wholesale Price Indices*.

³ The index is based on CIL's particular mix of manufactured products, excluding exports, whereas, the D.B.S. indices reflect the full product range of the industry. Products of CIL's subsidiaries, including textile fibres, are omitted.

Consolidated Statement of Income and Retained Earnings

for the Year Ended December 31, 1970
(with comparative figures for 1969)

	1970	1969
Sales		
Income from investments	\$323,300,000 1,157,000	\$324,199,000 595,000
	324,457,000	324,794,000
Cost and Expenses:		
Operating costs excluding depreciation	283,705,000	278,897,000
Provision for depreciation (Note 4)	19,775,000	21,293,000
Long-term debt interest, discount and expense	4,652,000	4,719,000
	308,132,000	304,909,000
Income before provision for income taxes	16,325,000	19,885,000
Provision for income taxes	6,477,000	7,445,000
Net income, including minority shareholders' interest	9,848,000	12,440,000
Minority shareholders' interest in the income of subsidiary companies	1,713,000	1,944,000
Net income before extraordinary items	8,135,000	10,496,000
Extraordinary items – net	—	3,082,000
Net income after extraordinary items	8,135,000	13,578,000
Retained earnings at beginning of year	51,930,000	44,402,000
	60,065,000	57,980,000
Deduct: Dividends		
Preferred – 7½%	174,000	174,000
Common – 60 cents	5,876,000	5,876,000
	6,050,000	6,050,000
Retained earnings at end of year	\$ 54,015,000	\$ 51,930,000
Earnings per common share, after preferred dividends –		
Before extraordinary items	\$.81	\$ 1.05
After extraordinary items	\$.81	\$ 1.37

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statement of Source and Application of Funds

for the Year Ended December 31, 1970
(with comparative figures for 1969)

	1970	1969
Working capital at beginning of year	\$65,836,000	\$57,095,000
Source of funds		
Funds from operations –		
Net income for the year before extraordinary items	8,135,000	10,496,000
Depreciation and amortization	19,854,000	21,368,000
Deferred income taxes	800,000	(4,835,000)
Issue of notes	28,789,000	27,029,000
Repayment of long term note	3,432,000	200,000
Sale of fixed assets	2,700,000	—
Refundable income tax	1,091,000	4,914,000
Change in minority interest in subsidiary companies	1,082,000	392,000
Total	37,094,000	38,448,000
Application of funds		
Dividends	6,050,000	6,050,000
Purchase of land, buildings and equipment	14,798,000	15,018,000
Additions to fixed assets related to subsidiary companies acquired in 1970	10,583,000	—
Acquisition of shares of associated companies	1,134,000	525,000
Retirement of long term debt	2,297,000	5,000,000
Deferred income taxes – prior years adjustment	—	3,114,000
Total	34,862,000	29,707,000
Increase in working capital	2,232,000	8,741,000
Working capital at end of year	\$68,068,000	\$65,836,000

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Balance Sheet

at December 31, 1970

(with comparative figures for 1969)

Assets	1970	1969
Current		
Cash, and deposits at interest	\$ 8,532,000	\$ 7,452,000
Marketable securities, at cost (market value \$878,000 ; 1969 \$201,000)	809,000	201,000
Accounts and note receivable	53,230,000	50,663,000
Inventories at the lower of cost and net realizable value (Note 3)	58,475,000	57,228,000
Prepaid expenses	2,459,000	1,462,000
	123,505,000	117,006,000
 Note Receivable due after 1971	 5,400,000	 8,100,000
 Fixed (Note 4)		
Buildings and equipment	311,895,000	288,923,000
Less : Accumulated depreciation	164,581,000	145,933,000
	147,314,000	142,990,000
Land at cost	8,315,000	8,125,000
	155,629,000	151,115,000
 Unamortized Debenture Discount and Expense	 801,000	 879,000
 Shares of Associated Companies at Cost		
less amounts written off	3,757,000	2,623,000
	\$289,092,000	\$279,723,000

On behalf of the Board :

E. L. Hamilton
T. D'Arcy Leonard C.B.E., Q.C. } Directors

Liabilities	1970	1969
Current		
Bank loans and acceptances	\$ 13,135,000	\$ 13,659,000
Accounts and notes payable and accrued liabilities	37,631,000	30,728,000
Federal and provincial income taxes	3,058,000	4,270,000
Dividends declared	1,613,000	2,513,000
	55,437,000	51,170,000
Long-Term Debt (Note 5)	83,585,000	82,450,000
Minority Shareholders' Interest		
in capital stock and retained earnings of subsidiary companies	14,829,000	13,747,000
Deferred Income Taxes	5,035,000	4,235,000
Shareholders' Equity		
Capital Stock	Shares	
7½% Cumulative preferred shares of \$50 par value		
Authorized and issued	46,500	2,325,000
Common shares of no par value		
Authorized	13,500,000	
Issued	9,794,161	73,866,000
Retained Earnings		
	54,015,000	51,930,000
	130,206,000	128,121,000
	\$289,092,000	\$279,723,000

The notes to the consolidated financial statements are an integral part thereof.

Notes
 to Consolidated Financial Statements
 for the Year Ended December 31, 1970

1 Basis of Consolidation

The accounts of the following companies are included in the Consolidated Statements:

Canadian Industries Limited

Subsidiary Companies:

Alchem Limited
 Bapco Paint Ltd. and subsidiary companies
 Campbell Manufacturing Company Limited
 Canadian Hanson & Van Winkle Company Limited
 Canadian Safety Fuse Company Limited
 Chemech Engineering Company Limited and related company
 Chemetics Limited
 Chipman Chemicals Limited
 C-I-L Ammunition Inc.
 C-I-L International Limited and subsidiary company
 C-I-L Properties Ltd.
 Continental Explosives (Alberta) Limited and subsidiary companies
 Defence Industries Limited
 Jarvis Clark Company Limited
 McPhar Geophysics Limited, subsidiary companies and related company
 Millhaven Fibres Limited
 Millhaven Investments Limited
 West African Explosives and Chemicals Ltd.

During the year, Canadian Industries Limited acquired controlling interests in the following companies:
 Chemech Engineering Company Limited and related company
 Chemetics Limited
 Jarvis Clark Company Limited
 McPhar Geophysics Limited, subsidiary companies and related company
 West African Explosives and Chemicals Ltd.

In consolidating its subsidiaries, the company follows a policy of treating the excess of the purchase consideration over the net book value of assets at the date of acquisition as an addition to consolidated fixed assets. This excess, including the acquisitions in 1970, is not material in relation to consolidated fixed assets.

Certain of the subsidiary companies have fiscal years ending prior to December 31, 1970. These companies have been included in the Consolidated Financial Statements for their fiscal periods ending in 1970 with exception of the McPhar Geophysics group of companies acquired in December. The assets and liabilities of this group have been consolidated, but sales and earnings have been excluded.

2 Remuneration of Directors and Senior Officers of this Company

The remuneration of the fifteen directors of Canadian Industries Limited was \$308,000 (\$380,000 in 1969). Remuneration of the thirteen senior officers of the Company was \$627,000 (\$656,000 in 1969, representing fourteen officers).

Three of the officers were also directors (five in 1969).

No remuneration was paid by any of the subsidiary companies to any director or senior officer of Canadian Industries Limited.

3 Inventories

	1970	1969
The inventories are classified as follows:		
Raw materials	\$14,757,000	\$15,222,000
Goods in process and finished goods	40,403,000	39,530,000
Stores and supplies	3,315,000	2,476,000
	\$58,475,000	\$57,228,000

4 Fixed Assets

Buildings and equipment are carried at cost less accumulated depreciation. Depreciation is provided on the straight-line method applied to the estimated useful life of the assets.

It is estimated that expenditures of \$11,002,000 will be required to complete projects authorized prior to December 31, 1970.

5 Long-Term Debt

	1970	1969
Canadian Industries Limited :		
3 1/4% sinking fund debentures due November 15, 1974		
Authorized and issued	\$25,000,000	\$25,000,000
Less : Purchased and cancelled	10,047,000	7,750,000
	14,953,000	17,250,000
5 3/4% debentures due December 1, 1977		
Authorized and issued	20,000,000	20,000,000
5 5/8% debentures due December 1, 1984	30,000,000	30,000,000
Interest Free Note – due August 3, 1972	1,792,000	—
Millhaven Fibres Limited :		
7 1/2% First Mortgage Bonds due December 1, 1986		
Authorized and issued	15,000,000	15,000,000
Interest Free Notes – Series "B" due December 2, 1986	1,840,000	200,000
	\$83,585,000	\$82,450,000

Under the terms of the Trust Agreement dated November 15, 1954 relating to the 3 1/4% sinking fund debentures, the Company is required to pay the trustee for sinking fund purposes \$1,000,000 in 1971 and \$1,250,000 in each of the years 1972 to 1974. Prior to December 31, 1970 the Company purchased and cancelled sufficient debentures to meet the 1971 and 1972 sinking fund requirements.

Under the terms of the Trust Agreement dated December 1, 1966 relating to the 7 1/2% first mortgage bonds of Millhaven Fibres Limited, the Company is required to provide a sinking fund sufficient to retire \$750,000 on June 1 in each of the years 1972 to 1986. Under the Trust Agreement there are certain restrictions concerning the payment of dividends by Millhaven Fibres Limited.

6 Contingent Liabilities

The Company has contingent liabilities of \$653,000 with respect to the guar-

antee of loans to other companies and other contingent liabilities of \$2,380,000.

7 Pension Plans

The Company and most of its subsidiaries have pension plans covering the majority of their employees. The contributions made by the companies and their employees are deposited with corporate trustees according to the terms of

the plans. In the opinion of the consulting actuaries, these funds, together with contributions being made by the companies and their employees, are sufficient to meet the estimated liabilities under the plans.

Auditors' Report

Touche Ross & Co.

Royal Bank Building
Place Ville Marie
Montreal 113, Quebec
(514) 861-8531

Auditors' Report

The Shareholders,
Canadian Industries Limited

We have examined the consolidated balance sheet of Canadian Industries Limited and its subsidiaries as at December 31, 1970 and the consolidated statements of income and retained earnings and source and application of funds for the year then ended. For Canadian Industries Limited and those subsidiaries of which we are the auditors, our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. With respect to those subsidiaries of which we are not the auditors, we have carried out such enquiries and examinations as we considered necessary in order to accept for purposes of consolidation the reports of the other auditors.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1970 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Touche Ross & Co.
Chartered Accountants

Montreal, Canada
February 12, 1971

Consolidated Financial Review

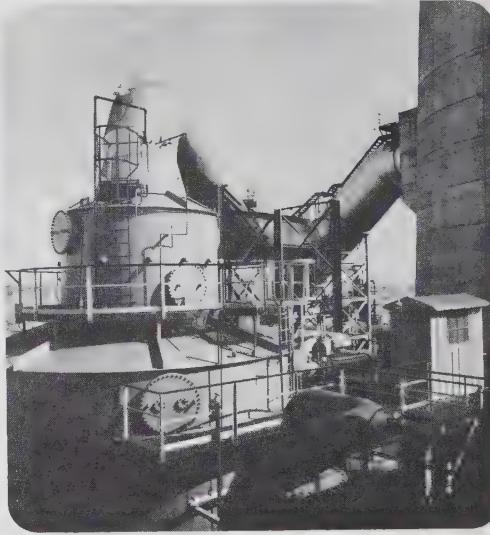
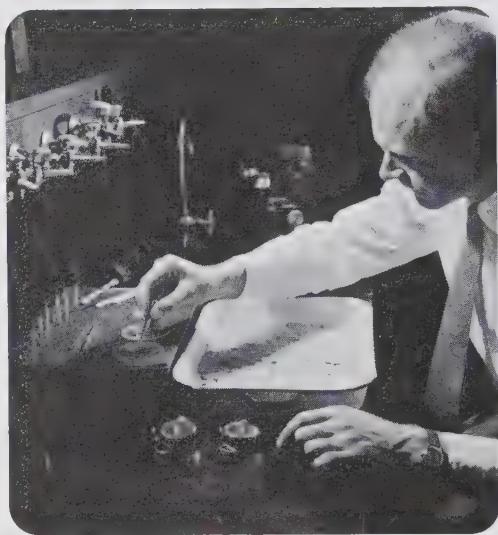
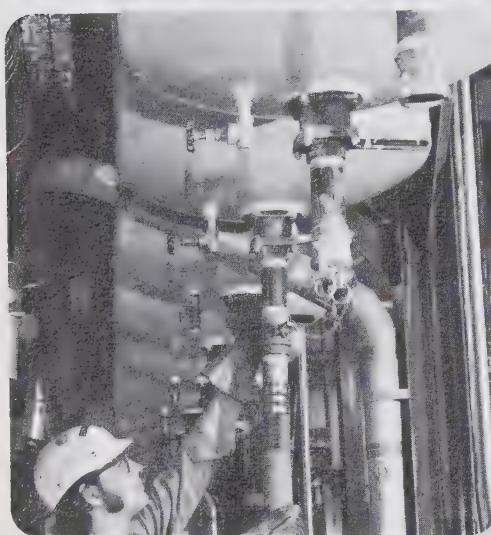
(Millions of Dollars)	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961
Sales	\$ 323.3	\$ 324.2	\$ 305.1	\$ 273.0	\$ 262.5	\$ 236.4	\$ 212.2	\$ 184.2	\$ 171.6	\$ 164.9
Income from operations	19.8	24.0	24.7	18.8	22.2	18.4	21.4	17.1	13.7	13.2
Long-term debt interest, discount and expense	4.7	4.7	5.0	4.7	3.7	3.6	2.1	2.0	2.1	2.1
Provision for income taxes	6.5	7.4	10.4	8.2	9.9	7.6	9.6	7.7	6.1	6.1
Net income*	8.1	10.5	10.0	6.9	9.6	8.1	9.7	7.4	5.8	4.9
Working capital	68.1	65.8	57.1	45.4	58.9	76.9	76.9	49.9	51.2	50.9
Fixed assets	320.2	297.0	301.7	306.5	276.6	233.8	188.5	174.3	163.9	164.8
Accumulated depreciation	164.6	145.9	136.8	130.9	119.9	110.0	98.5	90.8	83.5	82.2
Capital expenditures	14.8	15.0	14.0	32.0	44.7	52.0	16.5	11.9	12.5	5.1
Provision for depreciation	19.8	21.3	18.9	13.0	11.7	10.4	9.8	8.8	9.0	9.3
Long-term debt	83.6	82.5	87.3	86.2	85.0	70.6	71.6	42.1	42.8	43.6
Capital stock and retained earnings	130.2	128.1	120.6	115.7	115.3	112.2	87.7	83.8	81.9	81.1
Earnings a common share*	\$0.81	\$1.05	\$1.00	\$0.69	\$0.96	\$0.81	\$1.10	\$0.83	\$0.65	\$0.55
Dividends a common share	0.60	0.60	0.50	0.65	0.65	0.65	0.65	0.60	0.50	0.50

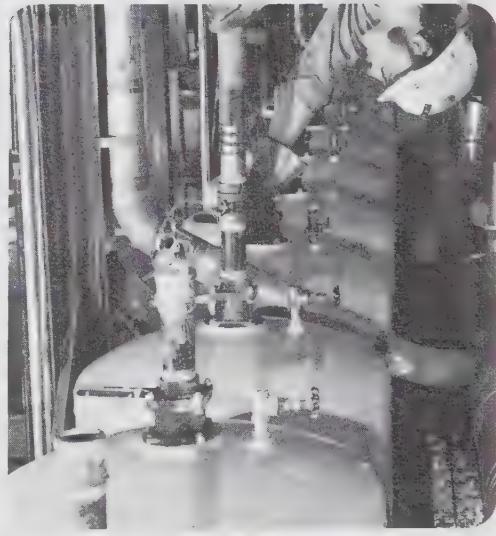
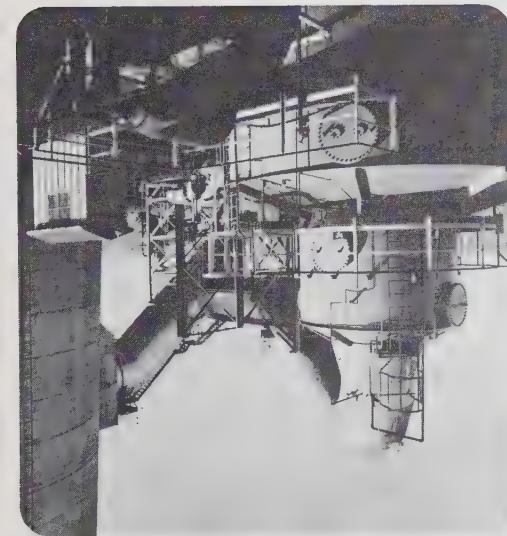
Quarterly Earnings a Common Share*	1970	1969	1968
1st Quarter	\$0.16	\$0.24	\$0.04
2nd Quarter	\$0.44	\$0.67	\$0.67
Half Year	\$0.60	\$0.91	\$0.71
3rd Quarter	\$0.05	\$0.03	\$0.11
Nine Months	\$0.65	\$0.94	\$0.82
4th Quarter	\$0.16	\$0.11	\$0.18
Year	\$0.81	\$1.05	\$1.00

*Before extraordinary items.



Canadian Industries Limited





Canadian Industries Limited



(Millions de dollars)	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961
Ventes	\$ 323.3	\$ 324.2	\$ 305.1	\$ 273.0	\$ 262.5	\$ 236.4	\$ 212.2	\$ 184.2	\$ 171.6	\$ 164.9
Benefice d'exploitation	19.8	24.0	24.7	18.8	22.2	18.4	21.4	17.1	13.7	13.2
à la dette à long terme	4.7	5.0	4.7	3.7	3.6	2.1	2.0	2.1	2.1	2.1
Provision pour impôts sur le revenu	6.5	7.4	10.4	8.2	9.9	7.6	9.6	7.7	6.1	6.1
Benefice net*	8.1	10.5	10.0	6.9	9.6	8.1	9.7	7.4	5.8	4.9
Fonds de roulement	68.1	65.8	57.1	45.4	58.9	76.9	49.9	51.2	50.9	
Immobilisations	320.2	297.0	301.7	306.5	276.6	233.8	188.5	174.3	163.9	164.8
Amortissement accumulé	164.6	145.9	136.8	130.9	119.9	110.0	98.5	90.8	83.5	82.2
Dépenses en immobilisations	148	15.0	14.0	32.0	44.7	52.0	16.5	11.9	12.5	5.1
Amortissement	198	21.3	18.9	13.0	11.7	10.4	9.8	8.8	9.0	9.3
Capital-actions et bénéfices non répartis	130.2	128.1	120.6	115.7	115.3	112.2	87.7	83.8	81.9	81.1
Bénéfice par action ordininaire*	\$0.81	\$1.05	\$1.00	\$0.69	\$0.96	\$0.81	\$1.10	\$0.83	\$0.65	\$0.55
Bénéfice trimestriel par action ordininaire*	1970	1969	1968	1967	1966	1965	1964	1963	1962	1961
1er trimestre	\$0.16	\$0.44	\$0.44	\$0.16	\$0.67	\$0.24	\$0.04			
2e trimestre	\$0.44	\$0.44	\$0.44	\$0.16	\$0.67	\$0.24	\$0.04			
3e trimestre	\$0.05	\$0.05	\$0.05	\$0.60	\$0.91	\$0.71	\$0.11	\$0.11	\$0.18	\$0.11
4e trimestre	\$0.65	\$0.94	\$0.94	\$0.16	\$0.11	\$0.03	\$0.82	\$0.03	\$0.02	\$0.02
semestre	\$0.60	\$0.91	\$0.91	\$0.67	\$0.67	\$0.24	\$0.04			
neuf mois	\$0.65	\$0.94	\$0.94	\$0.16	\$0.11	\$0.03	\$0.82	\$0.03	\$0.02	\$0.02
semestre	\$0.60	\$0.91	\$0.91	\$0.67	\$0.67	\$0.24	\$0.04			
année	\$0.81	\$1.05	\$1.05	\$1.00	\$0.65	\$0.65	\$0.50	\$0.50	\$0.50	\$0.55

*Sans les postes extraordinaires.

Montreal, Canada
le 12 février 1971

Comptables agréés

Nous avons examiné le bilan consolidé de la Canadian Industries Limited et ses filiales au 31 décembre 1970 et les états consolidés du revenu et des bénéfices non préparés ainsi que des états consolidés de tresoires pour l'exercice clos à cette date. En ce qui concerne la Canadian Industries Limited et ses filiales dont nous sommes les bénéficiaires, notre examen a compris une revue générale des méthodes comptables et les sondages des livres et pièces justificatives que nous avons obtenu lors de la consolidation, les termes nous avons obtenu lors de la consolidation, les juges nécessaires pour accepter, aux fins de la consolidation, les rapports soumis par d'autres vérificateurs.

A notre avis, ces états financiers consolidés exposent fidélement la situation financière des compagnies au 31 décembre 1970 ainsi que les résultats de leur exploitation et les mouvements de leurs trésoreries pour l'exercice clos à cette date, conformément aux principes comptables généralement admis, applicables suivant les mêmes modalités qu'au cours de l'année précédente.

Aux actionnaires,
Canadian Industries Limited

Rapport des vérificateurs

Édifice de la Banque Royale
Place Ville Marie
Montréal 113, Québec
(514) 861-8531

Touche Ross & Co.

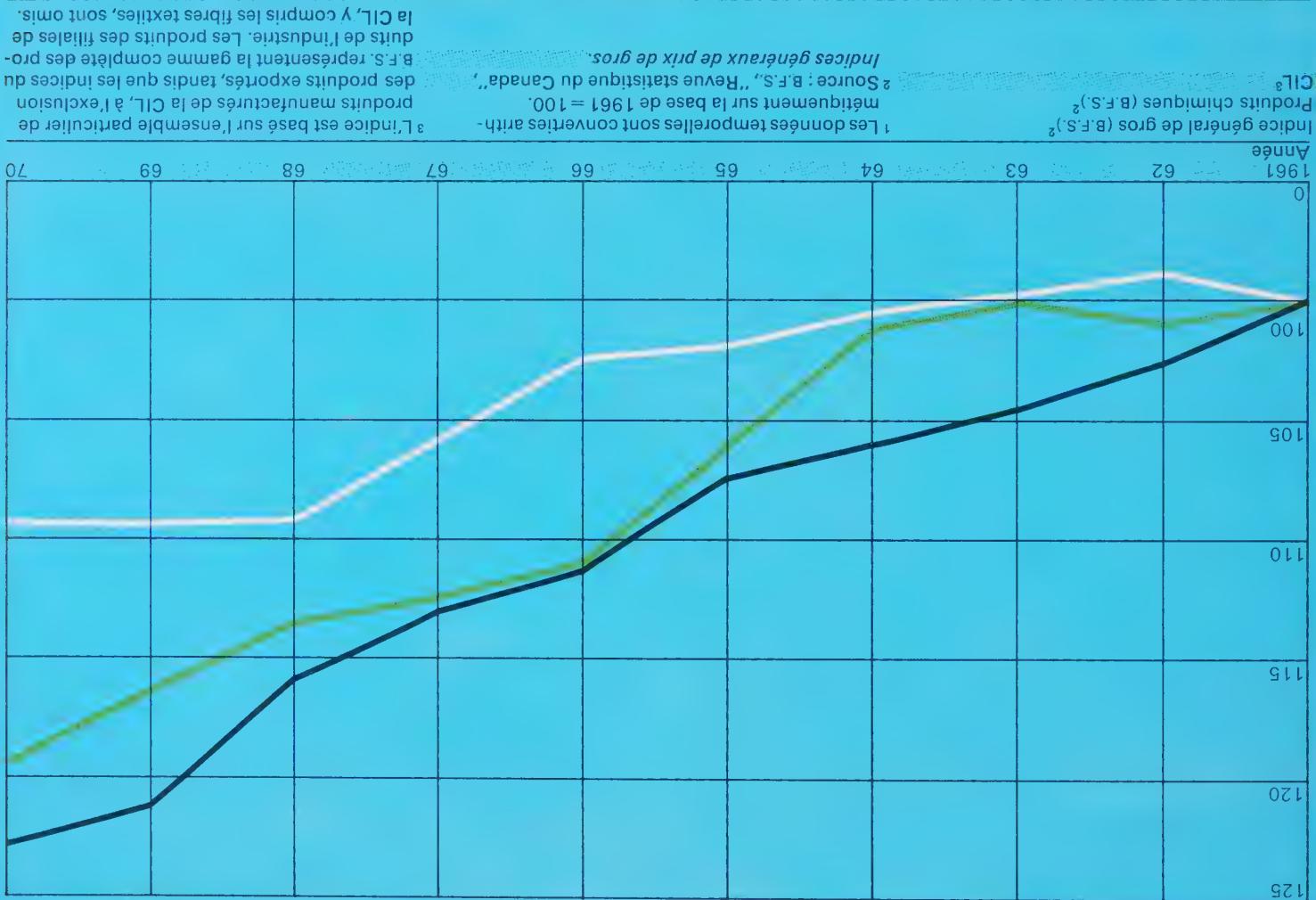
Rapport des vérificateurs

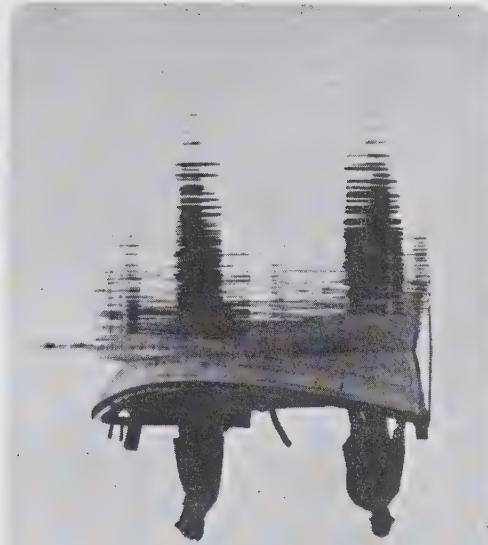
Passif		Actifs	
Exigibilités	Empêtrants et acceptations bancaires	\$ 13,659,000	§ 13,135,000
Comptes et effets à payer et frais courus	30,728,000 37,631,000 30,058,000 1,613,000 51,170,000 55,437,000 83,585,000 14,829,000 5,035,000 4,235,000 13,747,000 Actions	4,270,000 4,270,000 30,728,000 37,631,000 30,058,000 1,613,000 51,170,000 55,437,000 83,585,000 14,829,000 5,035,000 4,235,000 13,747,000 Actions	
Dette à long terme (Note 5)	Dépôts fédéral et provincial sur le revenu	Impôts sur le revenu reportés	Impôts sur le revenu reportés
Intérêt des actionnaires minoritaires	dans le capital-actions et les bénéfices non répartis des filiales	Actions	Actions
Capital-actions	Actions privilégiées, 7½% cumulatif, valeur nominale \$50	Actions et émises	Actions ordinaires sans valeur nominale
Avoir des actionnaires	Actions ordinaires, 7½% cumulatif, valeur nominale \$50	Autorisées	Autorisées
Emises	Actions ordinaires sans valeur nominale	Autorisées	Autorisées
Bénéfices non répartis	51,930,000 54,015,000 73,866,000 9,794,161 13,500,000 2,325,000 46,500 2,325,000 73,866,000 73,866,000 128,121,000 130,206,000 \$289,092,000 \$279,723,000	Emises	Bénéfices non répartis

Actif		au 31 décembre 1970		(avec chiffres correspondants pour 1969)	
Disponibilités	1970				
Encaisse et dépôts portant intérêt					
Titres négociables, au prix coutant, (valeur marchande \$878,000, en 1969, \$201,000)	\$ 8,532,000	\$ 7,452,000	201,000	50,663,000	58,475,000
Comptes et effet à recevoir	53,230,000	50,000	2,459,000	57,228,000	1,462,000
Frais payés d'avance	2,459,000	1,462,000	123,505,000	117,006,000	8,100,000
Effet à recevoir échéant après 1971	5,400,000				
Immobilisations (Note 4)	311,895,000	288,923,000	142,990,000	8,315,000	8,125,000
Molins : amortissement accumulé	164,581,000	145,933,000	142,990,000	155,629,000	151,115,000
Terreins au prix coutant	147,314,000	142,990,000	8,315,000	8,125,000	8,125,000
Actions de compagnies associées au prix coutant	3,757,000	2,623,000			
Molins les montants réalisés					
Escopte et frais non amortis relatifs aux débentures	879,000				
Actions de compagnies associées au prix coutant	151,115,000				
Escopte et frais non amortis relatifs aux débentures	879,000				
Pour le Conseil d'administration:					
E. L. Hamilton					
T. D'Arcy Leonard C.B.E., C.R. Administrateurs					

Etat consolidé de trésorerie des mouvements de trésorerie		pour l'exercice clos le 31 décembre 1970 (avec chiffres correspondants pour 1969)	
	1969		
Fonds de roulement au début de l'exercice	\$65,836,000	\$57,095,000	
Fonds provenant de l'exploitation	10,496,000	19,854,000	Bénéfice net de l'exercice sans les postes extraordinaires
Amortissements	800,000	21,368,000	Impôts sur le revenu reportés
Emission de billets	27,029,000	28,789,000	Remboursement d'un effet à long terme
Vente d'immobilisations	200,000	3,432,000	Vente d'immobilisations
Impôt sur le revenu remboursable	4,914,000	1,091,000	Changement de l'intérêt minoritaire dans les filiales
Dividendes	3,050,000	6,050,000	Achat de terrains, immeubles et outillage
Utilisation des fonds	15,018,000	14,798,000	Additions aux immobilisations par suite de l'acquisition de nouvelles filiales en 1970
Dividendes	15,050,000	14,798,000	Acquisition aux immobilisations par suite de l'acquisition de compagnies associées
Total	38,448,000	37,094,000	Remboursement sur la dette à long terme
Utilisation des fonds	3,114,000	—	Impôts sur le revenu reportés -
			Correction imputable aux exercices antérieurs
Total	29,707,000	34,862,000	Augmentation du fonds de roulement
Fonds de roulement à la fin de l'exercice	\$68,068,000	\$65,836,000	Les notes aux états financiers
			consolidés font partie intégrante de ces états.

Etat consolidé du revenu et des bénéfices non répartis		(avec chiffres correspondants pour 1969)	
Ventes	1969	1970	
Revenu de placements	\$324,199,000	\$323,300,000	
595,000	1,157,000	4,652,000	
278,897,000	283,705,000	21,293,000	
21,293,000	19,775,000	19,775,000	
4,719,000	308,132,000	308,132,000	
7,445,000	16,325,000	16,325,000	
19,885,000	9,848,000	1,713,000	
12,440,000	12,440,000	1,944,000	
8,135,000	8,135,000	10,496,000	
3,082,000	—	3,082,000	
13,578,000	8,135,000	13,578,000	
44,402,000	51,930,000	51,930,000	
57,980,000	60,065,000	174,000	
Molins : Dividendes	57,980,000	174,000	
Actions privilégiées - 7 1/4%	5,876,000	174,000	
Actions ordinaires - 60 cents	5,876,000	174,000	
Benefices non répartis à la fin de l'exercice	\$ 54,015,000	\$ 54,015,000	
Sans les postes extraordinaires	\$ 51,930,000	\$ 51,930,000	
Y compris les postes extraordinaires	\$ 1,05	\$ 1,05	
Les notes aux états financiers	1.37	1.37	
consolidées font partie intégrante de ces états.			





Administrateurs

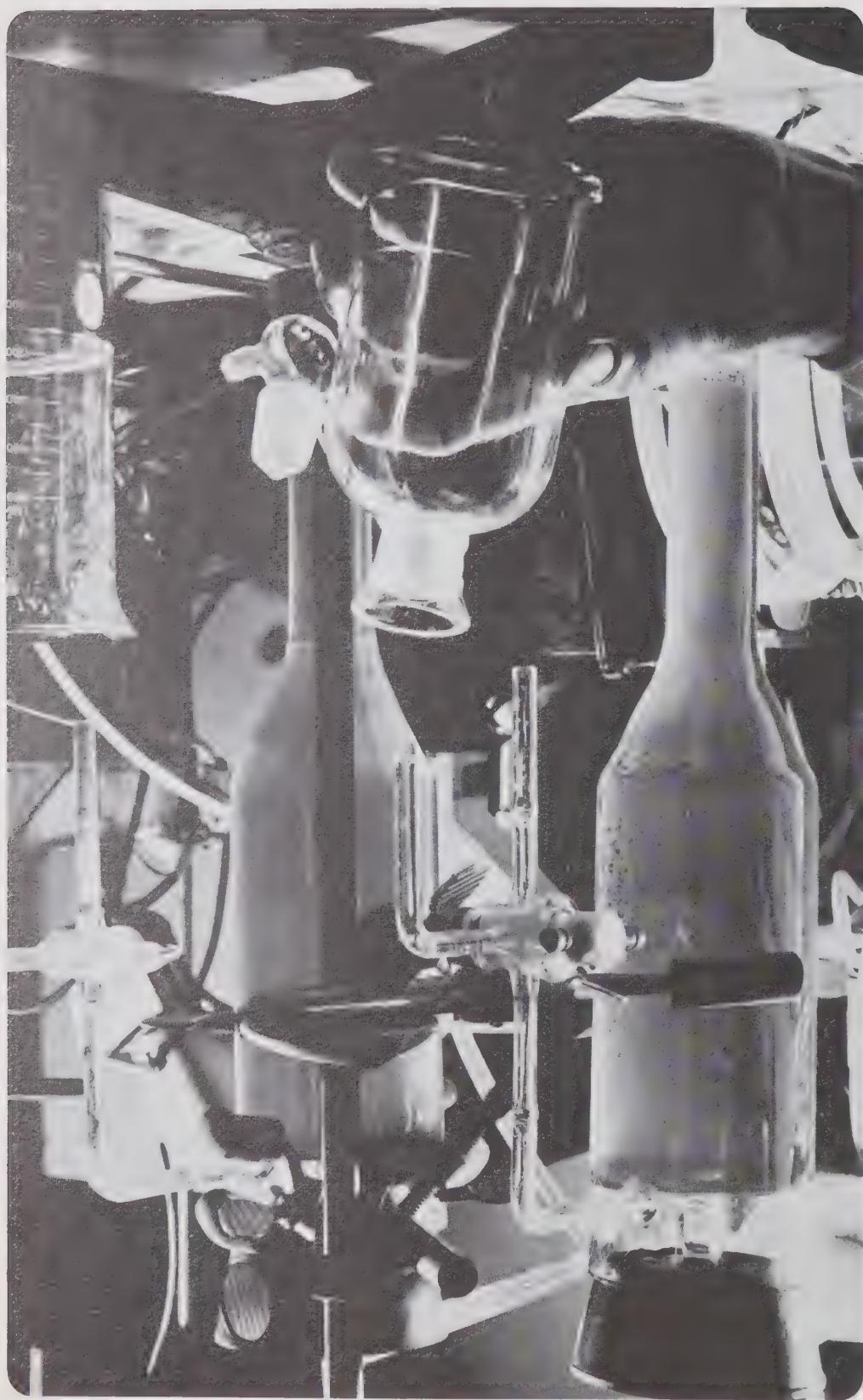
En décret, M. G. S. Roberts a dé-
missi onne de son siège au Conseil ainsi
que de son poste de vice-président
exécutif pour assumer un poste de direc-
tion à l'Imperial Chemical Industries
Limited. M. Roberts était administrateur
de la même réunion, M. E. L. Hamilton lui a
succédé comme président et chef
ministre. Le 1er janvier 1971, M. Leonhard Hynes
est devenu président du Conseil d'ad-
ministration ; M. E. L. Hamilton lui a
succédé comme président et chef
de la direction de la Compagnie. M.
Hynes, administrateur depuis 1954, oc-
cupait la présidence de la Compagnie
depuis 1962. M. Hamilton, qui siège au
Conseil depuis 1955, avait été nommé
successeur au vice-président exécutif en 1968.

Le Conseil tient à exprimer sa recon-
naissance pour le dévouement et l'en-
thousiasme avec lesquels le personnel
s'est acquitté des nombreuses tâches
difficiles qu'a comportées l'exercice
de son poste. Le Conseil tient à la mise
économe.

Les connaissances et l'expérience pré-
cises que la CIL a accumulées avec
les ans lui servent à lutter contre la pol-
lutio n. De plus, l'une de ses filiales, la
Chemetics Limited, offre aux trécess en-
treprises des services qui vont de la
trattement des effluents. Beaucoup reste
partis à l'exploitation de place, et même
conception à la mise en place, et la
faire dans ce domaine encore nouveau ;
aussi l'activité de la CIL dans la lutte
contre la pollution prendra-t-elle sans
doute un essor considérable.

La CIL a également des problèmes de milieu
ambiant. Pour résoudre les problèmes de milieu
ambiant avec les pouvoirs publics
propres prévénateurs, qui collaborent
entre eux, la CIL a également des
pollution dans ses usines et pour y re-
porter déetecter les sources possibles de
pollution dans ses usines et pour y re-
aussi ne néglige-t-elle aucun effort

Comme les pouvoirs publics et de nom-
breux particuliers, la CIL s'en inquiète ;
elle a également des problèmes de milieu
ambiant. Si bien que la pollution
toutes sortes, si bien que la pollution
plus difficile l'élimination de rebut de
réglions urbaines rendent chaque jour
concentration démorphique dans les
peut le faire. L'industrie et la
dépollution démorphique et la
tions de la société. La pollution est l'un
des domaines les plus évidents où elle
peut le faire. L'industrie et la
dépollution démorphique dans les
ciencieux et de participer à l'améliora-
tion de la société, comme l'individu, a le
devoir de se comporter en citoyen cons-



En matière de recherche, la Compagnie se réorientera actuellement ses efforts pour appuyer sa participation dans des domaines nouveaux. Elle attribue une importance très spéciale à l'étude de produits et de services pour l'exploitation des richesses naturelles. Par exemple, un nouveau procédé utilisant de l'oxygène pour blanchir la pâte de bois pourra être commercialisé dès 1971. La CIL a aussi mis au point un procédé pour les minéraux, utilisés dans la concentration des thates, pour fabriquer des xanthates, qui sont utilisés dans la concentration des minéraux; ce nouveau procédé offre l'avantage de faciliter la production au moyen de la mine ou du concassage. La Compagnie prévoit d'investir dans une collaboration avec une maison d'ingénieurs-conseils et une compagnie de pâtes et papier pour développer l'objectif de travaux techniques de la CIL à l'heure actuelle.

Notre effort de recherche et d'étude technique est complète par des entreprises avec l'impérial Chemical Industries qui nous fournit un appui technique et commercial pour lancer au nouveau. La Compagnie a ainsi accès aux connaissances techniques d'une entreprise à l'avant-garde de la recherche dans le monde.

Offrir aux employés de tous les secteurs de la Compagnie l'occasion d'utiliser toutes leurs possibilités, tel est l'un des grands objectifs de la CIL; elle l'a fidèle-ment poursuivi au cours de l'année Comptagrine a besoin d'une amélioration continue. Pour progresser elle-même, la compagnie a également dû faire de gros efforts pour créer une ambiance ceux qui la servent; aussi maintiendra-t-elle ses efforts pour créer une ambiance propice à l'épanouissement des talents créateurs et des qualités de cadres. A la fin l'année, les effectifs de la CIL et de ses filiales compteront 9 790 personnes, soit 5 p. cent de moins qu'à la fin de 1969. Neut conventions collectives régissant négociées en 1970; à la fin de l'année, environ 50 p. cent des ouvriers ont été toutes ces conventions avaient été conclues. Deux établissements du Québec ont été touchés par des grèves.



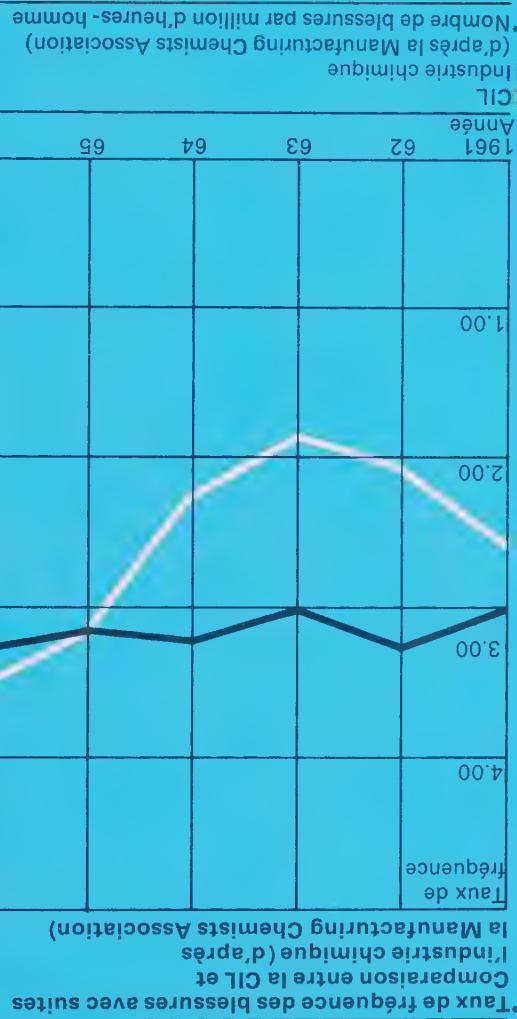
Pendant l'année, des progrès sensibles ont été accomplis dans ce domaine. Les blessures avec suites ont été moins nombreuses qu'en 1969 et la fréquence des accidents corporels a été la plus

lente des subordonnées.

La direction de la CIL, la prévention des accidents revêt une importance primordiale. Aussi les cadres sont-ils tous tenus responsables de la sécurité de leur subordonnée.

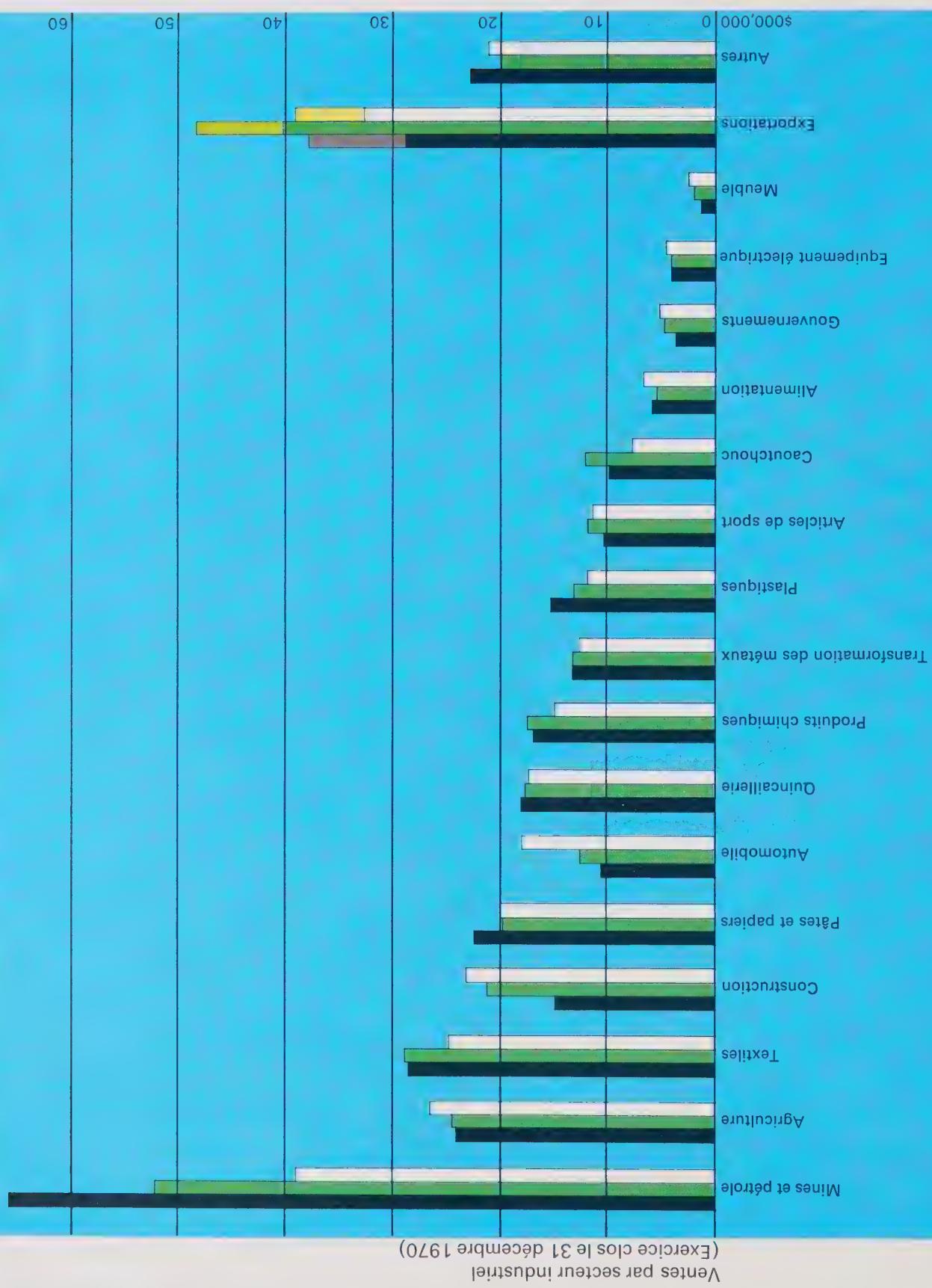
Les accidents sont, sans aucun doute, le résultat de conséquences aussi bien pour la sécurité qu'en matière de production. Pour la Compagnie, pour laquelle il est entraînement un abaissement des difficultés, due à l'effacement de la CIL, la prévention des accidents revêt une importance primordiale. Aussi les cadres sont-ils tous tenus responsables de la sécurité de leur subordonnée.

Les accidents sont, sans aucun doute,



Exportations agricoles

1968 1969 1970 1971 1972



La chaîne d'Agrocentres, qui a été cons-
tituée pour vendre les produits CIL et

sont déjà en chantier.

Montréal, Québec, le 25 mars 1971

E. L. Hamilton

—e President

Leonard Hynes

Le président du Conseil

Pour le Conseil d'administration

drogées.

D'un précédent que l'activité de l'économie nord-américaine connaîtira un certain regain en 1971. La Compagnie peut espérer une amélioration de sa situation, car les mesures de diversification qu'elle a appliquées devraient avoir un effet favorable sur les bénéfices et signifier une entrée dans une nouvelle période de croissance.

Une nouvelle société, ICI North America Limited, a été fondée pendant

Chaque fois que la chose est possible, ces Agrocentres sont organisés en parti-cipation avec des hommes d'affaires de

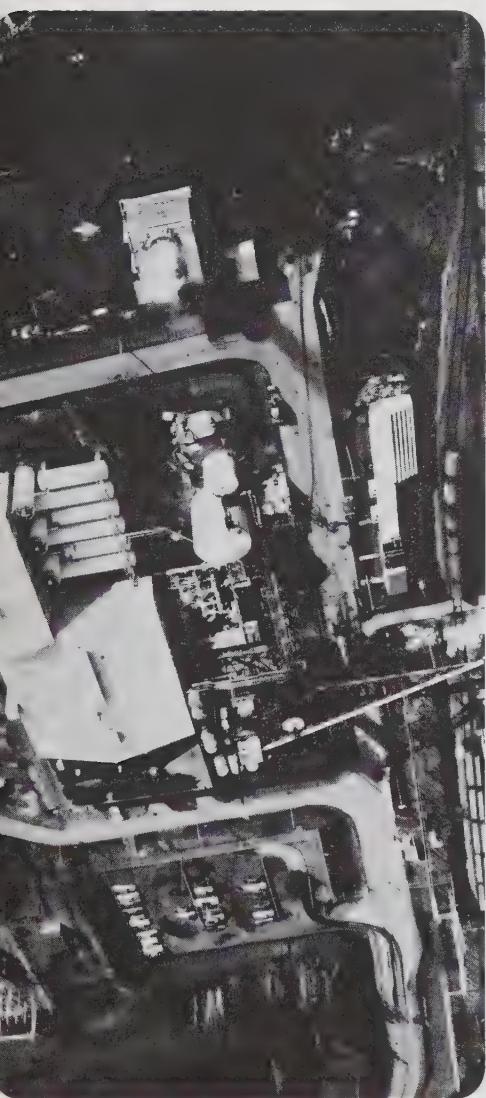
Score au cours des prochaines années.

La CIL sait, depuis plusieurs années déjà, que son expérience et ses connaissances techniques en matière de pollution, constituent un atout très ren-
table ; aussi la Compagnie a-t-elle fon-
de, dès 1967, en collaboration avec
la Chemech Engineering Limited, une
nouvelle entreprise appelée Chemetics
Limited. En 1970, la CIL a acheté la
Chemech, devenant ainsi seule pro-
priétaire de la Chemetics Limited. Ces
deux compagnies, qui font des affaires
dans le monde entier, s'occupent de con-
cevoir, de réaliser et d'exploiter des éta-
blissements de fabrication de produits de
balançiment installées à côté des grandes
papeteries utilisatrices, ainsi que de com-
merciailler des matériels de traitement
chimique spécialement conçus pour l'industrie.

Nous avons aussi acquis le contrôle de la West African Explosives and Chemicals Limited, qui se propose de satisfaire dans une plus grande mesure les besoins de l'industrie minière en Afrique occiden-tale. Tout en conservant une participation majoritaire, nous avons offert une option aux citoyens du Libéria pour leur vendre des actions dans cette filiale.

la gamme déjà vaste de services techniques qu'elles hautement spécialisées que la CIL offre à l'industrie minière canadienne. Egalemenet dans le but de se diversifier par des services aux grandes entreprises d'exploitation des richesses naturelles, non seulement au Canada mais aussi à l'étranger, la Compagnie a fait l'acquisition, vers la fin de l'année, de la station, vers la fin de l'année, de la Maphar Geophysics Limited, qui est l'un des plus grands fournisseurs mondiaux de services d'exploration et d'instruments géophysiques pour l'industrie minière. Centre entrepreneur à des clients dans le monde entier; elle possède des filiales aux Etats-Unis et en Australie, et des succursales dans de nombreux autres pays.

Depuis assez longtemps, la Compagnie a consciencie de la nécessite de réduire la dépense courante, qui est devenue plus difficile au Canada. Son programme de chimiques courantes, qui est considérablement dépendance du marché des produits chimiques, a été nécessaire de réduire la dépense de super-usines, mais dont pays dont le marché intérieur justifie l'existence de super-usines, mais dont la politique commerciale empêche souvent l'entrée des produits canadiens équivalents.



Depuis l'industrie. Cette acquisition élargit encore la compagnie. North Bay qui construit des équipements mécaniques à l'industrie Company Limited, grosse entreprise de Clark Majorité des actions de la Jarvis Clark a acheté en 1970. La CIL a acheté la diversification s'est considérablement national est ouvert à des produits fabriqués au Canada, le marché en outre, les droits de douane établis au Canada sont trop élevés pour abattre toute la production de ces usines; marché canadien est trop exigu pour abattre produits chimiques importants, le marché qui réduisent les prix de revient des usines. Cependant, pour beaucoup en augmentant la capacité de production échelle qui réduisent les prix de revient des procédés de production à grande brique de plusieurs produits chimiques, être possible de mettre au point, pour la fabrication de plusieurs produits chimiques, il a grâce aux progrès technologiques.

Comme l'indiquait notre rapport de l'exercice 1969, nous voulons aussi qu'à tous les échelons, les membres de notre travail les défis et la satisfaction de nos membres de notre productivité en améliorant nos procédés de fabrication et nos méthodes de commercialisation. Mais pour contrebalancer l'augmentation de nos dépenses et réalisant une majoration de nos prix raisonnables, une majoration de nos prix de vente s'impose.

Nous poursuivons avec vigueur nos efforts pour contenir nos prix de revient et accroître notre productivité en améliorant nos procédés de fabrication et nos méthodes de commercialisation. Mais pour contrebalancer l'augmentation de nos dépenses et réalisant une majoration de nos prix de vente s'impose. Si bien qu'en 1970, le bénéfice net à basse de 23 p. cent par rapport à celui de l'exercice précédent. Mais pour contrebalancer l'augmentation de nos dépenses et réalisant une majoration de nos prix de vente s'impose. Si bien qu'en 1970, le bénéfice net à basse de 23 p. cent par rapport à celui de l'exercice précédent.



Canadian Industries Limited		
Administrators	Directors	
W. B. M. Dunigan Vice-president du conseil	Alistair M. Campbell Président du conseil Leonard Hynes Président du conseil W. J. Mandry Vice-président exécutif R. D. Bevan P. A. G. Cameron H. G. Campbell P. D. McMullan R. J. McMullan Vice-président W. J. Mandry E. L. Hamilton Président W. G. C. Cashford Montreal, Canada, Compagnie d'assurance-vie, Président du conseil, Sun Life du Canada, Compagnie W. G. C. Cashford Montreal, Londres, Angletterre Président, Imperial Chemical Industries, London W. B. M. Dunigan Président, ICI North America Limited, New York A. G. S. Griffin Toronto D. S. Kirkbride Montreal Président, Canadian Industries Limited, Montreal B. J. McGreevy L. A. Wheable Trésorier Secrétaire adjoint L. M. Fairbush Administrateur de compagnie, Toronto Hon. T. D'Arcy Leonard, C.B.E., C.R. Président du conseil, Canadian Industries Limited, Montreal Jean-Claude Lessard, S.M. Président, Conseil canadien des normes, Montreal W. J. Mandry Vice-président exécutif, Canadian Industries Limited, Montreal Thorvaldsen, Winnipeg J. A. Macaulay, C.C., C.R. Associé, Alkins Macaulay & P. T. Menzies Vice-président du conseil, Imperial Chemical Industries Limited, London Angletterre Hon. H. dem. Molson, O.B.E. Président du conseil, Les Industries Molson Limited, Montreal J. D. Rose Administrateur, Imperial Chemical Industries Limited, London Hon. James Sinclair, C.P. Vice-président du conseil, Cimex Canada Lafarge Limited, Vancouver G. F. Whithby, O.B.E. Administrateur, Imperial Chemical Industries Limited, London Hon. James Sinclair, C.P. Bibliothèque Nationale du Québec Dépôt légal - deuxième trimestre 1971 Imprimeur : imprimerie RBT Limited Médiateurs : Gotschak-Tash Ltd.	W. J. Mandry Administrateur, Imperial Chemical Industries Limited, London Hon. James Sinclair, C.P. Vice-président du conseil, Cimex Canada Lafarge Limited, Vancouver G. F. Whithby, O.B.E. Administrateur, Imperial Chemical Industries Limited, London Hon. James Sinclair, C.P. Bibliothèque Nationale du Québec Dépôt légal - deuxième trimestre 1971 Imprimeur : Gotschak-Tash Ltd.





FROM:
Public Relations
Canadian Industries Limited
P.O. Box 10
Montreal 101, Quebec

FOR:
Selected dailies &
weeklies, financial &
business publications,
press wire services &
financial services

CONTACT:
Alan Pearson
Telephone: 874-3219

FOR RELEASE MORNING EDITION - FRIDAY, MARCH 26, 1971

MONTREAL, March 26, 1971. Diversification has been a significant development in the corporate affairs of Canadian Industries Limited, in 1970, it was revealed in the company's annual report received by shareholders today.

Consolidated sales of CIL and its subsidiaries in 1970, already announced in a preliminary report issued previously this year, were \$323,300,000, a decrease of \$899,000 from the previous year. Net income of \$8,135,000 was equivalent to 81 cents a share compared to \$1.05 a share in 1969, a decline of 23 per cent.

(more)

During the year CIL acquired four companies: first, Jarvis Clark Company of North Bay, Ontario, a leading supplier and manufacturer of mechanical equipment to the mining industry; second, McPhar Geophysics Limited, a Canadian company that operates on an international basis; third, West African Explosives and Chemicals Limited; and fourth, Chemetics Limited, a company CIL formerly owned in partnership with Chemech Engineering Limited.

In conjunction with its diversification program CIL has vigorously pursued new marketing methods that will consolidate its position in all areas of its traditional operations in the chemical field. Examples are: the development of on-site explosives plants; the construction of a chemical production plant in Nova Scotia, adjacent to the two plants it serves. This move is designed to reduce distribution costs. Further, CIL has continued to expand its "Agromart" program for the establishment of distribution centres for fertilizers, farm technology and other farm needs.

